

## Message Text

LIMITED OFFICIAL USE

PAGE 01 VANCOU 00062 01 OF 04 242158Z

ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-08 INR-07 LAB-04

NSAE-00 SIL-01 DODE-00 PM-04 H-01 L-03 NSC-05 PA-01

PRS-01 SP-02 SS-15 USIA-06 /071 W

-----242319Z 027992 /70

R 242124Z JAN 77

FM AMCONSUL VANCOUVER

TO SECSTATE WASHDC 3275

INFO AMEMBASSY OTTAWA

ALL CONGENS IN CANADA

LIMITED OFFICIAL USE SECTION 1 OF 4 VANCOUVER 62

E.O. 11652: N/A

TAGS: PGOV, CA

SUBJ: BRITISH COLUMBIA'S SOCIAL CREDIT GOVERNMENT: ONE YEAR IN  
POWER

1. SUMMARY. A YEAR AFTER ITS STUNNING UPSET VICTORY OVER THE NEW DEMOCRATIC PARTY, BRITISH COLUMBIA'S SOCIAL CREDIT (SOCRED) GOVERNMENT IS ENJOYING HIGH POPULARITY, DUE IN LARGE MEASURE TO THE ASTUTE AND CAPABLE PERFORMANCE OF PREMIER WILLIAM BENNETT. HE IS IN UNDISPUTED CONTROL OF HIS PARTY AND GOVERNMENT. STRINGENT FISCAL MEASURES, WHILE HARD ON THE CONSUMER POCKETBOOK, HAVE RESTORED BALANCE TO PUBLIC REVENUES AND EXPENDITURES AND BENNETT'S ATTENTIONS ARE EXPECTED TO INCREASINGLY TURN TO WAYS TO NUDGE THE STALEMATED ECONOMY FORWARD AND REDUCE THE HIGH RATE OF UNEMPLOYMENT. WHILE B.C. HAS BEEN ADVERSELY AFFECTED BY EXTERNAL TRADE CONDITIONS OVER WHICH IT HAS LITTLE CONTROL, PREMIER BENNETT ALSO RECOGNIZES THAT THE EXCESSIVE PROVINCIAL WAGE AND PRICE INCREASES OF THE PAST FEW YEARS HAVE CONTRIBUTED SUBSTANTIALLY TO THE LOSS OF B.C.'S COMPETITIVE POSITION IN WORLD COMMODITY MARKETS AND THAT A REPUTATION FOR POOR LABOR-BUSINESS RELATIONS HAS ERODED INVESTOR

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VANCOU 00062 01 OF 04 242158Z

CONFIDENCE. TO OVERCOME THESE PROBLEMS, THE BENNETT GOVERNMENT EXHORTS LABOR AND BUSINESS TO COOPERATE FULLY AND URGES ON ALL BRITISH COLUMBIANS A GENERAL BELT TIGHTENING AND LOWERING OF ECONOMIC EXPECTATIONS UNTIL SUCH TIME AS THE WORLD ECONOMY IMPROVES AND B.C.'S RESOURCE-BASED INDUSTRIES REGAIN THEIR COMPETITIVENESS. THE GENERAL PUBLIC APPEARS TO BE BEHIND BENNETT, AS DOES THE BUSINESS COMMUNITY, AND

THERE ARE EARLY SIGNS OF INCREASED INVESTMENT AND ECONOMIC ACTIVITY. BENNETT WORRIES, HOWEVER, WHETHER LABOR WILL ACT RESPONSIBLY IN 1977 WHEN VIRTUALLY ALL MAJOR UNION CONTRACTS ARE UP FOR NEGOTIATION. END SUMMARY.

2. INTRODUCTION. THIS TELEGRAM SEEKS TO ASSESS THE PERFORMANCE OF THE SOCIAL CREDIT GOVERNMENT AND TO IDENTIFY ITS MAJOR CONCERNS AS IT ENTERS ITS SECOND YEAR.

3. THE SOCRED VICTORY. MAKING A MAJOR POLITICAL MISCALCULATION IN CALLING AN EARLY ELECTION, NEW DEMOCRATIC PARTY PREMIER BARRETT WAS ADMINISTERED A STUNNING DEFEAT IN DECEMBER 1975 BY THE SOCIAL CREDIT PARTY AND ITS YOUNG AND UNTRIED LEADER, WILLIAM BENNETT. LOCAL AND NATIONAL OBSERVERS WERE SURPRISED BY THE RE-EMERGENCE OF THIS RURAL-BASED, RIGHT-WING PARTY WHICH HAD HELD POWER FOR TWENTY YEARS (1952-1972) UNDER THE NEW PREMIER'S FATHER, W.A.C. BENNETT. A MODEST NDP WIN, OR AN NDP-LED MINORITY GOVERNMENT, HAD BEEN WIDELY PREDICTED. SOCRED POLARIZATION OF THE B.C. ELECTORATE ALONG "FREE ENTERPRISE" VERSUS "SOCIALISM" LINES, HOWEVER, SUCCEEDED IN ATTRACTING A SUBSTANTIAL LIBERAL AND CONSERVATIVE CROSSOVER AND THIS--TOGETHER WITH WEAK AND VACILLATING SUPPORT FROM THE UNIONS FOR THEIR NATURAL POLITICAL ALLY, THE NEW DEMOCRATIC PARTY--PRODUCED THE SOCREDS' RESOUNDING MANDATE. THE SOCREDS WON 35 SEATS, THE NDP 18 AND THE LIBERALS AND CONSERVATIVES ONE EACH. WHILE EMPHASIZING IDEOLOGICAL DIFFERENCES IN THE CAMPAIGN, THE SOCREDS ZEROED IN ON ALLEGED NDP MISMANAGEMENT OF THE FALTERING PROVINCIAL ECONOMY AND ON BARRETT'S FISCAL IRRESPONSIBILITY FOR ALLOWING EXPENDITURES TO MOUNT IN THE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 VANCOU 00062 01 OF 04 242158Z

FACE OF DECLINING REVENUES. THE SOCREDS PROMISED TO CLAMP DOWN ON GOVERNMENT SPENDING AND TO RE-ESTABLISH AN ATTRACTIVE INVESTMENT CLIMATE. AS PART OF THEIR NEW, MODERN LOOK, THE SOCREDS ALSO PROPOSED THE ESTABLISHMENT OF A NEW ENVIRONMENT MINISTRY, BROAD CONSUMER PROTECTION LEGISLATION, A PROVINCIAL OMBUDSMAN, AND NEGOTIATION OF INDIAN LAND CLAIMS.

4. THE NDP LEGACY. IN THE HEADY FIRST YEARS OF THE 1972-1975 NDP GOVERNMENT, BRITISH COLUMBIANS WERE INTRODUCED TO AN ELABORATE AND GENEROUS SCHEME OF SOCIAL WELFARE. HEAVILY SUBSIDIZED PUBLIC SERVICES WERE FINANCED BY RAPIDLY INCREASING GOVERNMENT REVENUES PRODUCED BY THE PROVINCE'S BOOM ECONOMIC SITUATION AND BY STIFF NEW TAXES AND ROYALTIES ON B.C. RESOURCE INDUSTRIES. HOWEVER, BY 1975 INFLATION, JOBLESSNESS AND DISTORTED COST AND PRICE STRUCTURES HAD FINALLY PLUNGED THE

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 VANCOU 00062 02 OF 04 242238Z  
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-08 INR-07 LAB-04  
NSAE-00 SIL-01 DODE-00 PM-04 H-01 L-03 NSC-05 PA-01  
PRS-01 SP-02 SS-15 USIA-06 /071 W  
-----242318Z 028441 /70

R 242124Z JAN 77  
FM AMCONSUL VANCOUVER  
TO SECSTATE WASHDC 3276  
INFO AMEMBASSY OTTAWA  
ALL CONGENS IN CANADA

LIMITED OFFICIAL USE SECTION 2 OF 4 VANCOUVER 62  
CANADIA ECONOMY INTO RECESSION. BRITISH COLUMBIA WAS DEEPLY  
AFFECTED. SHARP DECLINES IN THE INTERNATIONAL PRICES OF RAW  
MATERIALS AND WEAKNESS OF COMMODITY DEMAND FROM B.C.'S MAJOR  
TRADING PARTNERS, TOGETHER WITH MARKED RISES IN THE COST OF  
LABOR AND SUPPLIES, REDUCED PROFITS, AND PRODUCTION TO LOW LEVELS,  
AND DRIED UP CAPITAL INVESTMENT. THE BLOOM WAS OFF AND B.C.,  
DEPENDENT ON EXPORTS FOR OVER ONE-HALF OF ITS TOTAL COMMODITY  
OUTUPT, WAS LEFT WITH A HIGH-COST, HIGH-WAGE, AND HISTORICALLY  
STRIKE-PRONE ECONOMY WHICH HAD LOST ITS COMPETITIVENESS IN THE  
WORLD MARKETS. THE CONSEQUENT, UNEXPECTED LOW REVENUES RE-  
SULTING FROM THE ECONOMIC DOWNTURN MADE A SHAMBLES OF THE NDP'S  
BALANCED BUDGET FOR THE FISCAL YEAR ENDING MARCH 31, 1976,  
AND PRODUCED A DEFICIT OF NEARLY \$140 MILLION. IN ADDITION,  
NON-BUDGETARY EXPENDITURES TOTALLED \$265 MILLION, INCLUDING  
OVER \$180 MILLION FOR JUST  
ONE NDP CREATION, THE INSURANCE CORPORATION OF BRITISH COLUMBIA  
(ICBC). THE RESULTANT NET EXPENDITURE OF OVER \$400 MILLION  
INFURIATED THE NEWLY ELECTED PREMIER BENNETT WHO NOTED THAT  
B.C. GOVERNMENT IN THE 1960'S AND EARLY 1970'S HAD ACCUMULATED  
SURPLUSES OF MORE THAN \$150 MILLION, BUT THAT THE NDP  
GOVERNMENT "BLEW IT ALL IN ONE GREAT SPENDING SPREE- IN 1975,  
THE FIRST YEAR OF BAD TIMES, AND ACQUIRED A DEBT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VANCOU 00062 02 OF 04 242238Z

5. THE SOCRED PROGRAM. THE BENNETT GOVERNMENT QUICKLY SET OUT  
TO ACHIEVE ITS TWIN OBJECTIVES OF RESTORING THE PROVINCE'S  
ECONOMIC HEALTH AND PUTTING THE GOVERNMENT'S FINANCIAL HOUSE

INTO ORDER. IN THE BELIEF THAT THE COLLECTIVE PUBLIC MEMORY IS SHORT AND THAT STRONG MEDICINE ADMINISTERED AT THE BEGINNING OF A TERM OF OFFICE CAN BE DISSIPATED BY IMPROVED CONDITIONS WHEN THE TIME FOR NEW ELECTIONS COMES AROUND, THE SOCREDS BROUGHT OUT A FIRST BUDGET LOADED WITH BAD NEWS FOR BRITISH COLUMBIANS. THE BUDGET CALLED FOR INCREASES IN SEVEN SEPARATE TAXES, INCLUDING AN INCREASE IN THE SALES TAX FROM FIVE PERCENT TO SEVEN PERCENT. FERRY RATES WERE DOUBLED. RATES FOR THE MANDATORY PACKAGE OF AUTOMOBILE INSURANCE UNDER THE GOVERNMENT-OWNED ICBC SKYROCKETED AS THE GOVERNMENT VOWED TO MAKE THE COMPANY SELF-SUPPORTING. PREMIER BENNETT JUSTIFIED THE MEASURES BY STATING REPEATEDLY THAT ALL SEGMENTS OF THE B.C. PUBLIC MUST TIGHTEN BELTS AND LOWER EXPECTATIONS IF THE ECONOMY WERE TO GO FORWARD AND MOMENTUM MAINTAINED. IN ADDITIONAL STEPS, THE GOVERNMENT REPLACED THE NDP MINERALS ROYALTY TAX, WHICH HAD SEVERELY DEPRESSED B.C.'S VITAL MINING ACTIVITIES, WITH A STRAIGHT PROFITS TAX, CREATED AN OFFICE OF AUDITOR GENERAL TO GAIN A HANDLE ON GOVERNMENT EXPENDITURES, AND PASSED LEGISLATION ENROLLING B.C. IN THE FEDERAL ANTI-INFLATION PROGRAM.

6. EARLY RETURNS ENCOURAGING. IN VIEW OF THE DEPRESSED STATE OF THE B.C. ECONOMY, THE SOCRED GOVERNMENT'S STRINGENT FINANCIAL MEASURES WERE GUTSY. HIGHER TAXES AND INCREASED ICBC AND FERRY RATES IN 1976 TOOK AN ESTIMATED \$400 MILLION OUT OF THE CONSUMER'S POCKET WHICH, ACCORDING TO THE NDP OPPOSITION, FURTHER DEPRESSED THE ECONOMY BY CURTAILING TOURISM AND DEPRESSING RETAIL SALES. BENNETT, HOWEVER, CAN POINT WITH SOME SATISFACTION TO THE REVERSAL OF THE SITUATION IN THE ICBC: BY THE END OF 1976 ICBC WAS IN A SURPLUS POSITION AND ANNOUNCED REBATES TO CERTAIN INSURED CATEGORIES. BENNETT ACKNOWLEDGES, HOWEVER, THAT SUCH STIMULANTS AS ELIMINATION OF THE MINERALS ROYALTY TAX HAVE NOT BROUGHT A RUSH TO INVEST IN NEW MINES (PRIMARILY BECAUSE OF LOW LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 VANCOU 00062 02 OF 04 242238Z

COMMODITY PRICES, I.E. COPPER), BUT BELIEVES THAT, BARRING ANY MAJOR LABOR CONFRONTATIONS, B.C.'S PACE OF BUSINESS ACTIVITY SHOULD IMPROVE IN 1977. ECONOMIC RECOVERY, ALTHOUGH STILL WEAK, IS UNDERWAY IN B.C.'S MAJOR EXPORT MARKETS, AND THE RECENT DOWNWARD ADJUSTMENT OF THE CANADIAN DOLLAR SHOULD HELP TO MAKE B.C. EXPORTS MORE COMPETITIVE. A MORE ENCOURAGING GOVERNMENT POSTURE TOWARDS INVESTMENT IS ALSO BEGINNING TO BEAR FRUIT. CROWN ZELLERBACH HAS ANNOUNCED PLANS FOR \$125 MILLION OF NEW INVESTMENT IN THE TROUBLED FORESTRY INDUSTRY AND MINERAL AND NATURAL GAS EXPLORATION IS INCREASING. IN THE LONGER RUN, HOWEVER, MANY OBSERVERS BELIEVE THAT B.C.'S ECONOMIC FORTUNES DEPEND TO A LARGE DEGREE ON DEVELOPMENT OF MASSIVE METALLURGICAL COAL DEPOSITS IN THE NORTHEASTERN PART OF THE PROVINCE. THIS MAJOR PROJECT REQUIRES SUBSTANTIAL INFRASTRUCTURE (ESTIMATED AT UP TO \$750 MILLION) AND PREMIER BENNETT IS AT-

TEMPTING TO OBTAIN (WITH LITTLE KNOWN SUCCESS TO DATE) MUCH

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 VANCOU 00062 03 OF 04 242249Z  
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-08 INR-07 LAB-04  
NSAE-00 SIL-01 DODE-00 PM-04 H-01 L-03 NSC-05 PA-01  
PRS-01 SP-02 SS-15 USIA-06 /071 W  
-----242316Z 028565 /70

R 242124Z JAN 77  
FM AMEMBASSY VANCOUVER  
TO SECSTATE WASHDC 3277  
INFO AMEMBASSY OTTAWA  
ALL CONGENS IN CANADA

LIMITED OFFICIAL USE SECTION 3 OF 4 VANCOUVER 62

OF THE FINANCING FROM OTTAWA AS IT IS UNLIKELY THAT B.C.  
COULD GO IT ALONE. WITHOUT CANADIAN FINANCING OF THE PROJECT,  
THE POTENTIAL JAPANESE CUSTOMER WILL NOT GUARANTEE PURCHASE  
OF THE NECESSARY TONNAGE (AS MUCH AS 10 MILLION TONS ANNUALLY)  
TO MAKE DEVELOPMENT ECONOMICALLY FEASIBLE.

7. LABOR WORRIES BENNETT. IN MOST PUBLIC REMARKS, BENNETT  
APPEARS TO BE CONFIDENT THAT HE HAS THE GENERAL SUPPORT OF BUSINESS  
AND THE PUBLIC AT LARGE IN HIS EFFORTS TO MOVE THE B.C.  
ECONOMY FORWARD. HE WORRIES OPENLY, HOWEVER, THAT LABOR MAY GIVE  
TROUBLE AND THAT B.C. MAY RETAIN ITS IMAGE OF SOUR LABOR-  
BUSINESS RELATIONS WHICH HAS DISCOURAGED NEEDED INVESTMENT  
CAPITAL. AT THE TIME THE SOCREDS CAME TO POWER IT WAS CONSIDERED  
LABOR WOULD BE A TOUGH OPPONENT OF THE PARTY. HOWEVER,  
THERE IS CONSIDERABLE DISARRAY IN THE LABOR MOVEMENT  
BECAUSE OF DIVISIONS WITHIN THE B.C. LABOR FEDERATION BETWEEN  
MODERATES AND THE MILITANTS (THE MILITANTS STILL RETAIN THE UPPER  
HAND). BENNETT'S APPOINTMENT OF A MODERATE AND CAPABLE LABOR  
MINISTER (ALLAN WILLIAMS), HIS REBUFF TO RIGHT-WING ELEMENTS  
FAVORING RIGHT-TO-WORK LEGISLATION, AND JUDICIOUS USE BY THE  
GOVERNMENT OF THE CARROT AND STICK IN 1976'S LABOR DISPUTES  
AND STRIKES HAVE CONTRIBUTED TO THE BREACH BETWEEN THOSE UNION  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VANCOU 00062 03 OF 04 242249Z

LEADERS WHO FAVOR A CONTINUANCE OF CONFRONTATIONAL TACTICS AND THOSE WHO BELIEVE THE TIMES DEMAND A MORE PRAGMATIC APPROACH. GOOD LABOR RELATIONS IN 1977 WILL BE CRUCIAL TO BENNETT'S HOPES FOR THE ECONOMY AND B.C.'S FUTURE, AND BENNETT KNOWS IT. ALMOST ALL MAJOR UNION CONTRACTS, COVERING NEARLY 300,000 EMPLOYEES (OUT OF A TOTAL B.C. LABOR FORCE OF ONE MILLION), COME UP FOR NEGOTIATION. WITHOUT RESTRAINT AND UNDERSTANDING BY BOTH LABOR AND MANAGEMENT, STRIKES COULD EASILY DISRUPT B.C.'S FRAGILE ECONOMIC RECOVERY.

8. THE OPPOSITION. PROVINCIALLY, THE LIBERALS AND PROGRESSIVE CONSERVATIVES REMAIN OF LITTLE IMPORTANCE. PREMIER BENNETT HAS SUCCEEDED IN CO-OPTING MANY OF THEIR LEADERS AND MOST OF THEIR SUPPORT. THE MOST THEY COULD HOPE TO DO IN THE NEXT ELECTION WOULD BE TO TAKE VOTES AWAY FROM THE SOCREDS. THE NPD, HOWEVER, REMAINS A STRONG OPPONENT. WHILE THE ELECTION DEFEAT INITIALLY LEFT THE NDP FLOUNDERING, IT HAS RECOVERED ITS BALANCE. THE NDP PROVIDED VOCAL OPPOSITION IN 1976 TO THE BENNETT GOVERNMENT, BUT WAS IN NO POSITION TO BACK SOCRED PROGRAMS. WHILE EX-PREMIER BARRETT HAS HAD A REPUTATION FOR BEING ONE OF THE MOST APPEALING POLITICIANS AND SPEAKERS IN THE PROVINCE AND HAS KEPT UP A BARRAGE OF CRITICISM AGAINST THE SOCREDS DURING HIS CONSTANT TRIPS IN AND OUT OF THE PROVINCE, HE HAS LATELY COME UNDER STRONG MEDIA ATTACK FOR SOME OF HIS STATEMENTS. AT TIMES, BARRETT HAS SEEMED TO BE TRYING TOO HARD TO FIND ISSUES. RECENT STATEMENTS OPPOSING CHARITIES (HE BELIEVES SOUND AND COMPASSIONATE GOVERNMENT PROGRAMS SHOULD ELIMINATE THEIR REASON FOR BEING) AND HIS PUBLICLY CHORTLING OVER B.C.'S ECONOMIC TROUBLES BECAUSE SUCH WOULD HELP HIS PARTY RETURN TO POWER, HAVE NOT SERVED HIM WELL WITH EITHER THE PRESS OR PUBLIC. AT THE SAME TIME, THE RECENT VICTORY BY FORCES IN THE B.C. FEDERATION OF LABOR WHICH HAD FALLEN OUT WITH THE NDP (PERSONIFIED BY BCFL SECRETARY-TREASURER LEN GUY) WILL MAKE IT MORE FIDDICULT FOR BARRETT TO RENEW THE STRONG TRADE UNION SUPPORT WHICH THE PARTY HAD ENJOYED IN EARLIER YEARS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 VANCOU 00062 03 OF 04 242249Z

9. IMPACT ON U.S. INTERESTS. AS ANTICIPATED, THE SOCREDS DISPLAY A FRIENDLY ATTITUDE TOWARD THE U.S. THE POSSIBILITY OF A BAN ON FOREIGN OWNERSHIP OF PROPERTY HAS RECEDED AND FOREIGN INVESTMENT HAS BEEN ENCOURAGED. RESURFACING OF THE ALCAN HIGHWAY FROM THE ALASKAN BORDER TO HAINES JUNCTION AND THENCE TO THE ALASKAN PANHANDLE HAD BEEN APPROVED BY THE B.C. GOVERNMENT. THE SOCREDS ALSO HAVE NOT DISMISSED OUT OF HAND THE PROPOSED KITIMAT-EDMONTON OIL PIPELINE. ALTHOUGH THERE HAS BEEN SOME CITIZEN PROTEST, THE PROVINCIAL GOVERNMENT HAS BEEN OFFICIALLY

SILENT OVER THE PROPOSED TRIDENT NUCLEAR BASE AT BANGOR, WASHINGTON AND OVER THE PROPOSED NUCLEAR POWER PLANT AT SEDRO WOOLEY. OPPOSITION BY GOVERNMENT TO THE RAISING OF THE SKAGIT DAM HAS BEEN MUTED. BRITISH COLUMBIA ENERGY OFFICIALS ARE HOPEFUL THAT NATURAL GAS EXPORTS TO THE U.S. PACIFIC NORTH-WEST CAN BE INCREASED OVER TIME TOWARDS CONTRACT LEVELS, BUT THE BENNETT GOVERNMENT WILL BE AS INTERESTED AS THE PREVIOUS

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 VANCOU 00062 04 OF 04 242255Z  
ACTION EUR-12

INFO OCT-01 ISO-00 CIAE-00 COME-00 EB-08 INR-07 LAB-04  
NSAE-00 SIL-01 DODE-00 PM-04 H-01 L-03 NSC-05 PA-01  
PRS-01 SP-02 SS-15 USIA-06 /071 W  
-----242316Z 028678 /70

R 242124Z JAN 77  
FM AMCONSUL VANCOUVER  
TO SECSTATE WASHDC 3278  
INFO AMEMBASSY OTTAWA  
ALL CONGENS IN CANADA

LIMITED OFFICIAL USE SECTION 4 OF 4 VANCOUVER 62

BARRETT GOVERNMENT IN SEEING THAT THE EXPORT PRICE CONTINUES TO RISE, ALTHOUGH IT MAY BE LESS SHRILL IN ITS PRICING RECOMMENDATIONS.

10. OUTLOOK. THE VANCOUVER SUN RECENTLY PUBLISHED THE RESULTS OF A UNIVERSITY OF VICTORIA OPINION POLL WHICH INDICATED THAT AFTER ALMOST A YEAR IN POWER THE SOCIAL CREDIT PARTY IS STRONGER IN POPULARITY THAN JUST AFTER ITS UPSET WIN IN THE DECEMBER 1975 PROVINCIAL ELECTIONS. SPECIFICALLY, WHILE A FEBRUARY 1976 POLL SHOWED THAT 32 PERCENT OF BRITISH COLUMBIA VOTERS FAVORED THE SOCREDs, AN OCTOBER 1976 POLL SHOWED THEIR SUPPORT HAD INCREASED TO 34 PERCENT (THE CORRESPONDING SUPPORT FOR THE NDP WAS 30 PERCENT). THE SOCRED SUCCESS IS DUE IN SUBSTANTIAL MEASURE TO THE PERSONAL POPULARITY OF PREMIER BENNETT WHO HAS IN ONE SHORT YEAR ACHIEVED UNDISPUTED CONTROL OF HIS PARTY AND GOVERNMENT AND DISPLAYED TOUGHNESS, ASTUTENESS AND ABILITY BEYOND THAT EXPECTED. NO MORE ARE THERE THE SLIGHTING REFERENCES TO BENNETT AS MINI-WAC OR BILLY THE KID. BILL BENNETT HAS BECOME A STRONG POLITICAL FIGURE IN HIS OWN RIGHT. NO LONGER DOES HIS IMAGE AND STRENGTH DERIVE ONLY FROM HIS

FATHER'S TWENTY-YEAR PREMIERSHIP. BRUCE HUTCHISON, THE  
HIGHLY RESPECTED EDITORIAL DIRECTOR OF THE VANCOUVER SUN,  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VANCOU 00062 04 OF 04 242255Z

RECENTLY DESCRIBED BENNETT AS "A MAN OF BRIEF POLITICAL EXPERIENCE  
BUT ALREADY THE UNQUESTIONED MASTER OF HIS PROVINCE." A RECENT  
EDITORIAL ALSO NOTED THAT "SOUNDINGS FROM OTHER PROVINCIAL  
CAPITALS AND FROM OTTAWA INDICATE  
A GROWING RESPECT FOR MR. BENNETT AS A FEDERAL-PROVINCIAL DIPLOMAT"  
AND APPLAUDED HIS GOVERNMENT'S "CLEAN BREAK WITH  
THE POLITICS OF BUFFOONERY" WHICH CHARACTERIZED BOTH HIS FATHER'S  
AND DAVID BARRETT'S ADMINISTRATIONS. BENNETT COMES ACROSS  
TO BRITISH COLUMBIANS AS A SERIOUS AND SOUND SPOKESMAN ON SUCH  
ISSUES AS PATRIATION OF THE CONSTITUTION, QUEBEC AND SEPARATISM,  
AND THE NEED FOR MORE FEDERAL RESPONSIVENESS TO WESTERN CANADIAN  
NEEDS.  
LUPPI

LIMITED OFFICIAL USE

NNN



## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PROVINCIAL GOVERNMENT, POLITICAL SITUATION  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 24-Jan-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977VANCOU00062  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770025-0939  
**Format:** TEL  
**From:** VANCOUVER  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t19770123/aaaaatwc.tel  
**Line Count:** 407  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 08092bd2-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 8  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 18-Nov-2004 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3516848  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** BRITISH COLUMBIA'S SOCIAL CREDIT GOVERNMENT: ONE YEAR IN POWER  
**TAGS:** PGOV, CA  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odhc://SAS/SAS.dbo.SAS\_Docs/08092bd2-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009